



Order Filed on July 28, 2020  
by Clerk  
U.S. Bankruptcy Court  
District of New Jersey

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY  
Caption in Compliance with D.N.J. LBR 9004-1

**LOWENSTEIN SANDLER LLP**

Arielle B. Adler, Esq.  
Bruce Buechler, Esq.  
Joseph J. DiPasquale, Esq.  
Jennifer B. Kimble, Esq.  
Kenneth A. Rosen, Esq.  
Mary E. Seymour, Esq.  
One Lowenstein Drive  
Roseland, New Jersey 07068  
(973) 597-2500 (Telephone)  
(973) 597-2400 (Facsimile)  
*Counsel to the Debtor and  
Debtor-in-Possession*

In re:

HOLLISTER CONSTRUCTION SERVICES, LLC,<sup>1</sup>  
Debtor.

Chapter 11

Case No. 19-27439 (MBK)

Hearing Date: July 23, 2020 at 10:00 a.m. (ET)

**ORDER RESOLVING LEONARDO DAPIA'S MOTION FOR RELIEF FROM THE  
AUTOMATIC STAY TO CONTINUE WITH STATE COURT PERSONAL INJURY  
CLAIM LITIGATION TO THE EXTENT OF INSURANCE PROCEEDS**

The relief set forth on the following pages, numbered two (2) through and including four (4), is hereby **ORDERED**.

**DATED: July 28, 2020**

  
Honorable Michael B. Kaplan  
United States Bankruptcy Judge

<sup>1</sup> The Debtor in this chapter 11 case and the last four digits of its taxpayer identification number is: Hollister Construction Services, LLC (5404).

Page: 2

Debtor: Hollister Construction Services, LLC

Case No.: 19-27439 (MBK)

Caption: Order Resolving Leonardo Dapia's Motion for Relief from the Automatic Stay to Continue with State Court Personal Injury Claim Litigation to the Extent of Insurance Proceeds

---

Upon the motion (the "Motion") of Leonardo Dapia ("Mr. Dapia"), for entry of an order lifting the automatic stay to allow a certain state court personal injury action filed under Docket No. ESX-L-5761-19 (the "State Court Action") to proceed on the condition that the plaintiff in that action limits his damages against the Debtor to available insurance proceeds [Docket No. 1179]; and Mr. Dapia and the Debtor having resolved the Motion; and Custom Steel Contractors, Inc. ("Custom Steel"), a co-defendant with the Debtor in the State Court Action, having received notice of the proposed form of this Order and having made no objection thereto; and the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference to the Bankruptcy Court Under Title 11* of the United States District Court for the District of New Jersey, as amended on September 18, 2012; and venue being proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and this matter being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and notice of the Motion being sufficient under the circumstances; and it appearing that no other or further notice need be provided; and after due deliberation and sufficient cause appearing therefor;

**IT IS HEREBY ORDERED THAT:**

1. The automatic stay of section 362(a) of the Bankruptcy Code be, and hereby is, modified to allow Mr. Dapia to proceed with the State Court Action against the Debtor for the limited and sole purpose of pursuing and/or collecting any judgment from the proceeds of any applicable insurance coverage, provided that: (a) nothing contained herein shall be deemed a waiver of any rights or defenses to coverage of any insurer under any insurance policies issued to the Debtor that may be implicated by the State Court Action; (b) nothing herein shall be deemed or interpreted to expand the insurance coverage or applicability of such coverage that may be available with respect to the State Court Action; and (c) any self-insured retention provisions of any such insurance policies shall remain in full force and effect, provided that the Debtor's estates

Page: 3

Debtor: Hollister Construction Services, LLC

Case No.: 19-27439 (MBK)

Caption: Order Resolving Leonardo Dapia's Motion for Relief from the Automatic Stay to Continue with State Court Personal Injury Claim Litigation to the Extent of Insurance Proceeds

---

shall have no obligation under any of the insurance policies to spend any money or incur any cost in defense of the State Court Action.

2. Said automatic stay is modified further to allow Custom Steel to proceed with its claims against the Debtor in the State Court Action, if any, for the limited and sole purpose of pursuing and/or collecting any judgment from the proceeds of any applicable insurance coverage and subject to the limitations in Paragraph 1 above.

3. Mr. Dapia and Custom Steel waive any right to recover or seek to recover any deductible from the Debtor, and they waive their right to file or assert any claim or proof of claim against the Debtor and its estate with respect to the State Court Action and/or Mr. Dapia's claim(s) asserted therein. Any proof of claim filed by Mr. Dapia or Custom Steel against the Debtor and its estate shall be deemed expunged and disallowed upon entry of this Order.

4. In the event there is insufficient insurance coverage to satisfy in full all claims, recoveries, settlements, judgments, and any and all other sums awarded in connection with all claims asserted against the Debtor's insurance policy for the same applicable policy year as the claims asserted by Mr. Dapia and Custom Steel, Mr. Dapia and Custom Steel agree to share the available insurance proceeds *pro rata* with any other claimants whose claims are asserted against or implicated the same policy year.

5. Should the court in the State Court Action award defense costs to the Debtor in connection with the State Court Action, the Debtor acknowledges that such award is for the benefit of its insurance carrier(s) that incurred the costs of the Debtor's defense in the State Court Action.

6. This Order shall be immediately effective and enforceable upon its entry.

7. The parties are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

Page: 4

Debtor: Hollister Construction Services, LLC

Case No.: 19-27439 (MBK)

Caption: Order Resolving Leonardo Dapia's Motion for Relief from the Automatic Stay to Continue with State Court Personal Injury Claim Litigation to the Extent of Insurance Proceeds

---

8. This Court shall retain exclusive jurisdiction to hear and decide any and all disputes related to or arising from the implementation, interpretation or enforcement of this Order.